

EXHIBIT 9

FD-302 (Rev. 3-10-82)

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/14/94

Assistant United States Attorney (AUSA) Valerie Caproni is Chief of the Organized Crime Section of the United States Attorneys Office (USAO) for the Eastern District of New York (EDNY). AUSA Caproni was interviewed at her office in Brooklyn, New York. AUSA Caproni was advised of the official identities of the interviewing Supervisory Special Agents (SSAs). AUSA Caproni was advised that the Office of Professional Responsibility (OPR) of the Federal Bureau of Investigation (FBI) was conducting an investigation regarding criminal allegations that SSA R. Lindley DeVecchio of the New York FBI Office made unauthorized disclosures to his source, Gregory Scarpa, Sr., and to Daily News reporter Jerry Capeci.

AUSA Caproni entered on duty with the USAO as an AUSA during October/November 1985, and resigned during March 1989. In October, 1992, she returned to duty as an AUSA in the EDNY. She has been the Chief of the Organized Crime Section since June of 1993.

It is noted that AUSA Caproni was interviewed on January 26, 1994, by SSA John L. Barrett, Jr., and Thomas V. Fuentes concerning an allegation that SSA DeVecchio made unauthorized disclosures to Scarpa, Sr. At that time, AUSA Caproni provided extensive information concerning a Drug Enforcement Administration (DEA) investigation wherein she believed SSA DeVecchio had made a disclosure to Scarpa, Sr., concerning those individuals who were to be indicted in this matter. In the interest of brevity, that information will not be reported in this current communication, but can be obtained from a review of the 1/26/94 AUSA Caproni interview.

DEA CASE REGARDING SCARPA, JR., ET AL

AUSA Caproni advised that before she took down the DEA case, she had a meeting in the Summer of 1987. She had contacted some of the DEA Agents who were working on the case and asked them to get in touch with the FBI so they could discuss their

Investigation on 7/27/94 at Brooklyn, New York File # 263-HQ-1064117

by SSA Timothy T. Arney
SSA Robert J. O'Brien RJO:cah Date dictated 8/2/94

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investigation with an FBI representative of the New York Office. The purpose was to make certain that they learned everything they could about the subjects they were going to indict, and to make certain that there was no overlap between the two agencies. One of the DEA Agents, name unrecalled by AUSA Caproni, contacted the FBI and SA Mike Tabman of one of the Organized Crime Squads came to her office.

AUSA Caproni advised that SA Tabman met with her and the DEA Agents. She recalls that the names of those individuals who were going to be indicted in the DEA case were presented during the course of this discussion and SA Tabman took notes. AUSA Caproni believed that it was also discussed during the course of this meeting that Cosmo Cantanzano was about to "flip." AUSA Caproni advised that SA Tabman took notes, but he did not seem to be real interested in the case. The complaints in the case were issued the Tuesday before Veterans Day in 1987. AUSA Caproni advised that the chief Special Agents in DEA who were involved in this investigation were initially Mark Mosher, and John Gillenpoint. The New York Police Department (NYPD) was involved in this investigation and these efforts were coordinated by Detective Ricky.

During this time period, AUSA Caproni advised that her office worked with SA Richey Wackowski who was on a drug squad in the New York FBI Office. AUSA Caproni is confident that SA Wackowski was also aware of the identities of those to be indicted in the DEA case and was also aware of the fact that Cosmo Cantanzano was going to "flip." AUSA Caproni does not know whether SAs Tabman or Wackowski ever spoke directly to SSA DeVecchio about the DEA case or about Cosmo Cantanzano. She did note that these were very important pieces of information which she believes were presented to Scarpa, Sr., and have been demonstrated through the interviews of Confidential Witnesses (CWs) in the Colombo Family war investigations.

GREGORY SCARPA, SR.

AUSA Caproni advised that in 1989, after Gregory Scarpa, Jr., was convicted on the Drug Enforcement Administration (DEA) investigation she learned that somebody had contacted the Bureau of Prisons (BOP) to try to have Gregory Scarpa, Jr. (the only fugitive in the above noted DEA investigation), incarcerated close to New York city. AUSA Caproni wanted him incarcerated a

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long distance from New York city. An official from BOP contacted AUSA Caproni. AUSA Caproni requested a meeting to determine the reason for the FBI contact. A meeting was subsequently called at the EDNY. Those attending the meeting included U.S. Attorney Andrew Maloney; AUSA Caproni's supervisor, Joe Azrack; Edward McDonald, Chief of the Organized Crime Strike Force at EDNY; James Fox, Assistant Director in Charge of the FBI; and SSA DeVecchio (AUSA Caproni was not present). According to AUSA Caproni, the primary purpose of the meeting was for U.S. Attorney Maloney to tell the FBI that it was not up to the FBI to intervene with BOP on the incarceration location for Scarpa, Jr.

At the time of that meeting, AUSA Caproni advised her office was officially told that Scarpa, Sr., was an FBI informant. AUSA Caproni believed that he was an informant prior to the meeting, but this was the first time an official announcement was made to the EDNY. Those at the meeting were told that Scarpa, Sr., was a Top Echelon informant and was valuable to Strike Force Organized Crime efforts. The subsequent agreement made by those at the meeting was to try and keep Scarpa, Jr., incarcerated close to New York so that Scarpa, Sr., could maintain contact with Scarpa, Jr., and learn of subsequent on-going Colombo Family criminal enterprises.

AUSA Caproni recalls SSA DeVecchio coming to her office at her request at a later date. AUSA Caproni asked SSA DeVecchio to contact Scarpa, Sr., and interview him about a number of individuals in the Colombo Family who had been killed. AUSA Caproni could not recall the details of her request of SSA DeVecchio at the time of the interview, but does recall that SSA DeVecchio came back to her on a later occasion and basically provided information to her he had reportedly gained from Scarpa, Sr., which was the same as information other investigators had already received from other sources on the "street," regarding the issues involved.

AUSA Caproni believed that Scarpa, Sr.'s 1992 bail hearing was handled by U.S. Magistrate Michael Caden. The Government was represented by John Gleason and AUSA Stamboulides and AUSA Weissman. When the Federal Judge ultimately hearing the bail matter, released Scarpa, Sr., to "house arrest," AUSA Caproni believed that the Government attorneys were upset. AUSA Caproni understands that just after this bail decision, it is possible that the attorneys accused FBI SA Chris Favo of going

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to see the Magistrate in Scarpa, Sr.'s favor. AUSA Caproni learned from SA Favo that SSA DeVecchio had disappeared, for some period of time during the date of the hearing and SA Favo speculated that SSA DeVecchio may have spoken to the magistrate who heard the bail hearing.

When Caproni came back to the EDNY in October of 1992, she was put in charge of the Colombo Family war cases. According to AUSA Caproni, it became very clear in late 1992, that they were going to have to prosecute Scarpa, Sr. AUSA Caproni had learned a great deal of information about this possibility through John Gleason, Chief of the Criminal Division of EDNY, and Assistant United States Attorneys Andrew Weissman and George Stamboulides. It was during the Summer of 1992, that AUSA Caproni advised that her office had learned through Scarpa, Sr.'s doctor that he had approximately six months to live, as he was terminally ill with AIDS. The USAO, EDNY, had a great deal of work to do with respect to the fourteen individuals they had already indicted for crimes involved in the Colombo Family war. As a result, Scarpa, Jr., did not get indicted, at that time.

In December of 1992, Scarpa, Sr., left his residence without approval and he got into a gun fight. He was shot during the course of this incident. He subsequently ended up being remanded to a hospital in early January of 1993. AUSA Caproni advised that she was assigned as a Chief of the Special Prosecution Unit during that time period and was "out of the loop" on the decision process about whether Scarpa, Sr., should or should not be indicted. AUSA Caproni deferred to AUSA Andrew Weissman as a person who would be in the best position to know if the FBI had tried to convince him (Weissman) not to prosecute Scarpa, Sr., during that time period.

According to AUSA Caproni, Scarpa, Sr., was subsequently indicted by AUSA Weissman. Scarpa, Sr.'s attorney and AUSA Weissman worked out a plea agreement for Federal and New York state charges. There was a state weapons case against Scarpa, Sr. Scarpa, Sr., plead to the weapons case and was remanded to Rykers Island to serve his state time. According to AUSA Caproni, Scarpa, Sr.'s attorney requested Rykers Island as it was a very good AIDS facility. It was AUSA Caproni's understanding that the Federal Government would adjourn Scarpa, Sr.'s Federal sentence because of his limited life expectancy. The Federal Government did require that Scarpa, Sr.,

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plea to RICO regarding the murders he committed during the Colombo Family war and also plea to Section 924C. This plea required a minimum of a five year sentence.

AUSA Caproni advised that AUSA Weissman handled the plea. AUSA Caproni recalls hearing the Scarpa, Sr.'s attorney, Steven Cardegemor called George Stamboulides to say that Scarpa, Sr., wanted to cooperate with the Federal Government. The Federal Government told Cardegemor that they were not interested in Scarpa, Sr.'s cooperation, but the Federal Government subsequently agreed to at least listen to Scarpa, Sr. Scarpa, Sr., was brought in to talk to the AUSAs. This took place sometime near the end of 1993 or early 1994. The meeting took place at the office of EDNY. Present at the meeting included Scarpa, Sr., his attorney (Cardegemor), AUSA Weissman, AUSA Caproni, SSA DeVecchio and SA Favo. AUSA Caproni advised that there was a good deal of time at the meeting when SSA DeVecchio and Scarpa, Sr., talked together without anybody else being around. AUSA Caproni noted that when the meeting took place at EDNY, the attorney Cardegemor seemed surprised that Scarpa, Sr., admitted himself that he had been an FBI informant for over 20 years. SSA DeVecchio confirmed that at the same meeting. AUSA Caproni did not believe that Cardegemor actually believed that this was the case until this confirmation was made public at the meeting. It was during the course of this meeting that AUSA Caproni recalled that SSA DeVecchio threatened SA Favo. SSA DeVecchio allegedly told SA Favo that if an OPR inquiry was started based on Favo's effort he would "have Favo's ass." The OPR inquiry would have treated an allegation that Scarpa, Sr., had a law enforcement source in the FBI.

AUSA Caproni advised that there came a time when she chose to meet with Scarpa, Sr., and FBI Agent SA Jim Brenner. She did not want to have SSA DeVecchio present. AUSA Caproni questioned Scarpa, Sr., regarding her prior DEA investigation in which his son, Gregory Scarpa, Jr., had been charged and convicted. AUSA Caproni asked Scarpa, Sr., how he learned about this case. Scarpa, Sr., told her that he learned it from Anthony Caso and that Caso had learned it from his law enforcement source. At the time, the Federal Government knew that Caso had a law enforcement source. The Federal Government subsequently learned that Caso had two New York City Police Officers who were providing information to him. Information about the police officers was only gained in the last few months, after Caso

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started cooperating with the Government. AUSA Caproni had noted that after Caso started cooperating, they asked Caso if he ever gave any information to Scarpa, Sr., and Caso told the interviewing FBI Agents that he never provided any information to Scarpa, Sr. AUSA Caproni did note that SSA DeVecchio did not try to apply any pressure to convince her or her assistants to enter into an agreement with Scarpa, Sr., for his cooperation. AUSA Caproni advised that the Federal Government finally told Scarpa, Sr.'s attorney that there would be no cooperation agreement. It was AUSA Caproni's impression that SSA DeVecchio was in close contact with Scarpa, Sr., and his common-law wife, Linda Schiro, during this time period.

Scarpa, Sr., was scheduled for sentencing on 12/15/93 before Judge Jack Weinstein. AUSA Caproni handled the sentencing for AUSA Stamboulides. AUSA Caproni recalled telephoning SSA DeVecchio and telling him that the sentencing was scheduled. SSA DeVecchio appeared in court for the sentencing.

AUSA Caproni advised that they adjourned to speak with the Judge Weinstein in camera and advised the judge that Scarpa, Sr., has been an FBI informant. Scarpa, Sr., was at the meeting in camera, as well. AUSA Caproni advised that if Judge Weinstein sentenced Scarpa, Sr., to life, he automatically would have been incarcerated in a facility which did not have good medical treatment facility for his AIDS patients. Judge Weinstein sentenced Scarpa, Sr., to ten years, which allowed him to be incarcerated at a good AIDS facility. AUSA Caproni believes that Judge Weinstein did this for humanitarian reasons with the belief that a ten year sentence was probably the same as a life sentence for a man with terminal AIDS.

AUSA Caproni does believe that SSA DeVecchio spoke to Judge Leo Glasser in Scarpa, Sr.'s interest when Scarpa, Sr., was charged by the United States Secret Service in a 1987 credit card case. Scarpa, Sr., just received a sentence of probation on that case.

AUSA Caproni advised that SSA DeVecchio was never asked in her presence whether he had ever contacted Judges Weinstein, Glasser, or Magistrate Caden on Scarpa, Sr.'s behalf.

After the sentencing of Scarpa, Sr., SSA DeVecchio called AUSA Caproni and advised that he had been contacted by

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Linda Schiro. SSA DeVecchio wanted to find out if it was possible for the Federal government to recommend that Scarpa, Sr., be incarcerated close to New York City. AUSA Caproni told SSA DeVecchio she did not know where he was going to be incarcerated and she really was not interested in having Scarpa, Sr., incarcerated close to New York. AUSA Caproni told SSA DeVecchio if he wanted to get in touch with the Bureau of Prisons on Scarpa, Sr.'s behalf, he could do so on his own behalf. AUSA Caproni advised that SSA DeVecchio never told her whether he contacted BOP, or not.

DAILY NEWS REPORTER JERRY CAPECI

AUSA Caproni advised that she has personally met reporter Capeci on a number of occasions. In her position as the Chief of Organized Crime (OC) section in EDNY, she is the natural person to contact with respect to stories being prepared on OC matters. AUSA Caproni advised although she has spoken to Capeci telephonically on a number of occasions, she generally refers him to William Moeller who is the Executive Assistant United States Attorney for EDNY and is also the EDNY Press Officer.

AUSA Caproni advised that many media leaks took place between March of 1989 and October of 1992 during the Colombo Family war. AUSA Caproni noted that she was not with the U.S. Attorneys Office during that time period. AUSA Caproni knew that since June of 1993, when she returned to the EDNY she has seen nothing in Capeci's column which she believed to be leaked from on-going investigations being conducted by her office.

AUSA Caproni advised that the only information which she received that indicates a possible leak of information by SSA DeVecchio to Capeci, comes from discussions she has had with SA Chris Favo of the New York Office and from her review of SA Favo's signed, sworn statement, dated 4/4/92 (on this OPR investigation), and the OPR signed, sworn statements (on this OPR investigation) of SAs Howard Ledbetter, dated 4/6/94, Jeffrey W. Tomlinson, dated 4/6/94, and Raymond Andjich, dated 4/6/94. AUSA Caproni had an opportunity to review these signed, sworn statements in preparation for the current on-going trial of Aphonse Persico.

AUSA Caproni also recalls being told in 1993 by Assistant Special Agent in Charge (ASAC) Donald North of the

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New York FBI Office that (North) told the Supervisory Special Agent (SSA) who manage the Organized Crimes investigations in the New York office that if anybody was caught disclosing information about FBI cases to Capeci they could be fired. The supervisors were instructed by ASAC North to refer inquiries to the New York FBI Press Officer.

AUSA Caproni advised that she had no personal information available to her which would indicate that SSA DeVecchio has made any unauthorized disclosures to reporter Jerry Capeci of the Daily News.

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Date of transcription 2/1/94

Assistant United States Attorney (AUSA) VALERIE CAPRONI, Chief of the Organized Crime Section, United States Attorney's Office (USAO), Eastern District of New York (EDNY), telephone number (718) 330-7500, was advised of the identity of the interviewing Supervisory Special Agents (SSAs) as SSAs of the Federal Bureau of Investigation (FBI), detailed to the Inspection Division, Office of Professional Responsibility, FBI Headquarters (HQ), and that the purpose of the interview concerned allegations of law enforcement corruption brought to the attention of the EDNY and the New York (NY) FBI by Colombo Family La Cosa Nostra (LCN) cooperating defendants.

CAPRONI advised that during the summer of 1987 she had successfully prosecuted a drug investigation brought to the EDNY by SA RICHARD T. WACHOWSKI of the NY FBI, that focused on associates of the FRANK SCARPA, JR. crew of the Colombo LCN Family. At the conclusion of that case, CAPRONI became involved in an investigation brought to the EDNY by SAs of the Drug Enforcement Administration (DEA) and members of the Major Case Squad of the New York City Police Department (NYPD), directly involving SCARPA, JR. and other members of his crew.

CAPRONI advised the EDNY invited an SA of the Colombo LCN Squad from the NY FBI to outline the criminal activity and identity of the members of SCARPA, JR.'s crew under investigation. CAPRONI advised that her prosecutive theory was to utilize the convictions obtained in the FBI investigation as Racketeering predicates in DEA/NYPD case. CAPRONI advised that she believed the supervisor of the Colombo LCN Squad, at that time, was SSA LINDLEY DEVECCHIO, and that SSA DEVECCHIO would have been made aware of the DEA investigation by the SA attending the meeting. (It is noted that SSA CHRISTOPHER MATTIACE was the supervisor of the Colombo LCN squad at that time and SSA DEVECCHIO was the supervisor of the Bonnano squad.)

CAPRONI advised that she told the FBI SA who attended this meeting referred to above, that this was a DEA

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by John L. Barrett, Jr.
Thomas V. Fuentes Date dictated 2/1/94

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investigation; however, if the FBI was also focusing on these same subjects, a joint DEA - NYPD - FBI would be considered. CAPRONI was also interested in obtaining criminal intelligence from the Colombo LCN Squad that may have enhanced the prosecution of the EDNY's seven defendants. Additionally, CAPRONI also identified ERIC LEON as a cooperating witness (CW) of DEA.

CAPRONI complained that neither the EDNY, DEA nor the NYPD received any positive information back from the NY FBI's Colombo LCN Squad regarding SCARPA's crew. CAPRONI also advised that during the course of the SCARPA, JR. investigation a pen register was placed on the home telephone of SCARPA, SR. and telephone calls were identified going into 26 Federal Plaza, the HQ of the NY FBI. CAPRONI stated that it was her belief, based on the pen register telephone calls going into 26 Federal Plaza that SCARPA, SR. was an FBI informant. It was CAPRONI's belief, after learning that SCARPA, SR. was an FBI informant, that the NY FBI was not cooperating with the EDNY in locating SCARPA, JR., in view of the confidential relationship SCARPA, SR. had with the FBI.

CAPRONI advised that indictments were returned in the fall of 1987, and SCARPA JR. was the only defendant that DEA was unable to locate, and was placed in a fugitive status by DEA. CAPRONI advised that in 1987 - 1988, DEA fugitives, after being referred to the FBI, were under the sole investigative jurisdiction of the FBI. It was CAPRONI's understanding that this matter was referred to the NY FBI. According to CAPRONI, SA CHARLES GIANTURCO was the case Agent of the SCARPA, JR. fugitive matter. CAPRONI was so displeased with the FBI's efforts to locate SCARPA, JR. that CAPRONI obtained permission from her superior at the EDNY and requested assistance from the United States Marshals Service (USMS) in locating SCARPA. CAPRONI advised she had spoken to SA GIANTURCO and requested the FBI to obtain a trap and trace on the telephone line of SCARPA, JR.'s mother-in-law and recalls being told by GIANTURCO that he had 30 other investigative cases and did not have the time to consider that investigative technique.

CAPRONI stated that SCARPA, JR. was featured on the television program, "America's Most Wanted", and as a result of the investigative efforts of the USMS, was located and arrested in New Jersey, in the spring of 1988. CAPRONI advised that as a result of the publicity from the print and electronic media in

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New York surrounding the arrest of SCARPA, JR. by the USMS, JAMES FOX, head of the NY FBI, complained to USA ANDREW MALONEY that this was an FBI matter and requested an explanation as to why the USMS was involved in the arrest of a DEA fugitive.

CAPRONI advised she informed MALONEY of her difficulties with the FBI, and it was her understanding that after MALONEY explained this to FOX, FOX informed MALONEY there was no misconduct on the part of the FBI regarding the NY Office's relationship with SCARPA, SR. and confirmed to MALONEY that SCARPA, SR. was an FBI informant. Because of the difficulties that developed during the course of the SCARPA, JR. investigation, FOX agreed to make SSA DEVECCHIO, the contacting Agent for SCARPA, SR. available for debriefing. CAPRONI recalls meeting SSA DEVECCHIO, in the spring of 1988, alone in her EDNY office and posing a number of questions to SSA DEVECCHIO involving a number of homicides she believed SCARPA's crew had committed. CAPRONI advised SSA DEVECCHIO got back in touch with her and provided information, that in her opinion, was of little prosecutive value.

CAPRONI advised that SCARPA, JR. was the last defendant convicted in the DEA/NYPD investigation. CAPRONI advised subsequent to SCARPA, JR.'s sentencing, she learned that the NY FBI had attempted to intervene with the Bureau of Prisons (BOP) in locating SCARPA, JR. at a Federal Correctional Institute (FCI) closer to his New York City residence. CAPRONI advised she discussed this matter with BOP officials in Philadelphia, and prevailed with BOP to have SCARPA, JR. sent to the FCI in San Diego.

CAPRONI advised that approximately six months ago she was contacted by the lawyer for BILLY MELI, a convicted defendant in the 1987 DEA/NYPD investigation, who proffered his client's cooperation for consideration in having MELI's sentence reduced. CAPRONI advised that because MELI admitted to participating in 11 homicides, MELI was required to plead guilty to criminal charges with respect to his involvement in those homicides.

During the debriefing of MELI, in September of 1993, MELI disclosed that he was informed by SCARPA, SR., in the fall of 1987, that he and six other members of SCARPA, JR.'s crew were under investigation by the EDNY and would be indicted within the next couple of weeks. According to MELI, SCARPA, SR. also told

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him that one of the co-defendants, COSMO CATANZANO was a weak link and MELI took this to mean CATANZANO might cooperate. MELI advised the NY FBI that he and another Colombo LCN Family associate went out and dug a grave in the event the murder contract to kill CATANZANO was authorized. This did not occur. CATANZANO is currently incarcerated at the FCI, Allenwood, Pennsylvania.

MELI also told the NY FBI that SCARPA, JR. told MELI that his father, SCARPA, SR., had a source who is an FBI Agent. SCARPA, JR. also mentioned to MELI that he had to buy a television and VCR for his father's FBI source.

CAPRONI advised that during the fall of 1993, the attorney for SCARPA, SR. approached the EDNY and proffered his client's cooperation in return for being released from prison. SCARPA, SR. was brought to the EDNY for debriefing and was transported from the USMS holding cell to her office by SSA DEVECCHIO. Prior to coming to Washington, D. C. this date, CAPRONI advised of being reminded by AUSA STAMBOULIDIS of a conversation between SSA DEVECCHIO and SA CHRIS FAVO, wherein CAPRONI advised SSA DEVECCHIO threatened "to get" SA FAVO, if the debriefing of SCARPA, SR. concerning law enforcement leaks, led to an Office of Professional Responsibility investigation.

The debriefing of SCARPA, SR. was attended by SSA DEVECCHIO, SA FAVO, SA JIM BRENNAN (the SA responsible for the Bonnano LCN Family law enforcement leak investigation) AUSA STAMBOULIDIS and possibly AUSA WEISSMAN. After debriefing SCARPA, SR. with respect to his role in the Colombo LCN WAR investigation, the other interviewees, with the exception of SA BRENNAN departed. CAPRONI advised that she and SA BRENNAN interviewed SCARPA, SR. concerning his alleged law enforcement contact, and SCARPA denied having any such contact, and said he received his law enforcement information from Bonnano LCN member "GASPIPE CASSO." SCARPA denied having ever received any investigative information from SSA DEVECCHIO.

CAPRONI advised that former Colombo LCN Family Consigliere, CARMINE SESSA, told the NY FBI that he believed SCARPA, SR. had a source in law enforcement. SESSA related a story told to him by his wife, ANN, that while SCARPA, SR. was in the hospital a few years ago. SESSA recalled that he went to visit SCARPA, SR. each day he was in the hospital and on one

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particular day was told by SCARPA, SR. not to visit. SESSA's wife on the other hand, traveled to the hospital with SCARPA, SR.'s wife, LINDA. SESSA advised that his wife ANN and LINDA SCARPA were on their way to visit SCARPA, SR. and MRS. SCARPA told SESSA that they could not visit SCARPA, SR. that day because her husband's law enforcement source was at the hospital visiting him. SESSA also advised that one day he answered the telephone at SCARPA, SR.'s residence and took a message from a MR. DELLA for SCARPA, SR. CAPRONI advised she has learned that MR. DELLA was the pseudonym used by SSA DEVECCHIO when contacting SCARPA, SR.

CAPRONI advised that Colombo LCN defendant, LARRY MAZZA, began cooperating with the EDNY and the NY FBI approximately three weeks ago. During the course of MAZZA's debriefing, MAZZA told the NY FBI that he believed SCARPA, Sr. had a law enforcement source close to SCARPA. MAZZA advised that during the ongoing Colombo LCN War, SCARPA, SR. provided the addresses for members of the ORENA faction that the PERSICO faction had orders to kill. MAZZA believed that SCARPA, SR. had either a law enforcement source, or a member of the ORENA faction, providing those addresses to the PERSICO faction. MAZZA explained that it was very unusual for LCN members to have other members and/or associates home addresses and particularly unusual to have rival faction members or associates home addresses.

CAPRONI advised that cooperating witness JOSEPH AMBROSINO, during his debriefings, advised the NY FBI that SCARPA, SR. told AMBROSINO that CARMINE INBRIALE was going "bad." CAPRONI advised that CARMINE INBRIALE was in fact a cooperating witness for the NY FBI. AMBROSINO additionally told the NY FBI that SCARPA, SR. also had taken preliminary steps to consider murdering a Colombo LCN Family associate, FRANK SPARACO. CAPRONI advised that SPARACO was convicted in the Colombo LCN War investigation and is presently incarcerated.

CAPRONI further advised that the EDNY had just started negotiating with another Colombo LCN associate, MARIO PARLAGRECO, a convicted defendant serving his prison sentence at FCI, Allenwood. CAPRONI advised that she had been negotiating with the girlfriend of PARLAGRECO, JACKIE ANDERSON, who within the past two weeks told CAPRONI that a co-defendant of PARLAGRECO, COSMO CATANZANO, told PARLAGRECO that he knew PARLAGRECO was cooperating with "VALERIE."

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/31/94

Assistant United States Attorney (AUSA)
VALERIE CAPRONI, Chief of the Organized Crime Section, United States Attorney's Office, Eastern District of New York (EDNY), telephonically contacted Supervisory Special Agent (SSA) THOMAS V. FUENTES at the New York Office of the Federal Bureau of Investigation (FBI). CAPRONI advised that she was calling with regard to the Office of Professional Responsibility (OPR) matter, under investigation by SSA FUENTES and SSA JOHN L. BARRETT, JR., concerning possible unauthorized dissemination of information. CAPRONI had previously furnished information to SSAs FUENTES and BARRETT concerning this matter on 1/26/94 at FBI Headquarters (HQ) in Washington, D. C.

CAPRONI advised that since the above interview, she had discussed the OPR matter with other AUSAs of the EDNY. Based upon their discussions, she was of the opinion that no FBI interviews of La Cosa Nostra (LCN) members, expected to testify in an upcoming trial, should be conducted because of the potential adverse impact on the prosecution. Additionally, CAPRONI requested that when the interviews are conducted, an AUSA from the EDNY should be present. CAPRONI further stated that all of the AUSAs involved in the related LCN prosecutions were too busy at the present time to participate in these interviews.

CAPRONI stated that the first trial was scheduled to commence on 2/2/94 and last approximately six weeks. CAPRONI advised that she would concur with the interview of the LCN witnesses following the conclusion of that trial.

SSA FUENTES advised CAPRONI that her request would be discussed with Unit Chief (UC) RALPH A. REGALBUTO, JR., OPR, Inspection Division, FBIHQ, and she would be expeditiously advised of the results.

Following a discussion with UC REGALBUTO, SSA FUENTES telephonically contacted CAPRONI at her office. CAPRONI was informed that, per her request, the FBI would hold this

(telephonically)

Investigation on 1/27/94 at New York, New York File # 263-HQ-1064117by Thomas V. Fuentes Date dictated 1/31/94

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investigation in abeyance, to include interviews of the LCN witnesses, pending EDNY concurrence.

CAPRONI opined that other aspects of the investigation could continue. SSA FUENTES advised CAPRONI that since this investigation was predicated on allegations made by the LCN witnesses, the appropriate investigative strategy required that they be interviewed at the onset. Additionally, to continue other aspects of the investigation, such as interviews of other witnesses, would create a cloud of suspicion over FBI and EDNY personnel which could not be resolved for an indefinite period of time.

CAPRONI was furnished UC REGALBUTO's name and telephone number and advised that the FBI would resume this investigation, with EDNY concurrence, at the conclusion of the trial.

Memorandum



Dep. Dir. _____
 ADD Adm. _____
 ADD Inv. _____
 Asst. Dir.: _____
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Info. Mgt. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Tech. Servs. _____
 Training _____
 Cong. Affs. Off. _____
 Off. of EEO _____
 Off. Liaison & _____
 Int. Affs. _____
 Off. of Public Affs _____
 Telephone Rm. _____
 Director's Office _____

To : Mr. Reutter

Date 3/21/94

From : L. A. Potts

Subject : UNSUB;
 UNAUTHORIZED DISSEMINATION OF INFORMATION TO
 COLOMBO LCN CAPO GREGORY SCARPA, SR.
 NEW YORK DIVISION
 OPR MATTER

PURPOSE: To report results of preliminary investigation conducted by Supervisory Special Agents (SSAs) THOMAS V. FUENTES and JOHN L. BARRETT, JR., Criminal Investigative Division, FBIHQ, concerning captioned matter.

SYNOPSIS: On 1/18/94, Assistant United States Attorney (AUSA) VALERIE CAPRONI, Chief of the Organized Crime Section, United States Attorney's Office (USAO), Eastern District of New York (EDNY), contacted the New York Office (NYO), Federal Bureau of Investigation (FBI) and alleged that an FBI informant, GREGORY SCARPA, SR., a Capo in the Colombo La Cosa Nostra (LCN) Family, had received information, which was not authorized for dissemination, from an unidentified FBI Agent.

By attached Airtel from New York to FBIHQ dated 1/21/94, DADIC, New York, requested that the Office of Professional Responsibility (OPR), Inspection Division, expedite an inquiry into this matter.

AUSA CAPRONI was interviewed at FBIHQ by SSAs FUENTES and BARRETT on 1/26/94 (FD-302 attached), regarding allegations

Enclosures (5)

1 - Mr. Reutter
 1 - Mr. Potts
 1 - Mr. Frier
 1 - Mr. Moody
 1 - 263-HQ-1064117
 1 - OPR 94-129
 TVF:TVF (8)

263-HQ-1064117-5
 10-12
 D. Brin

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 11/27/94
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(Continued - Over)

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Memorandum from L. A. Potts to Mr. Reutter

Re: UNSUB; UNAUTHORIZED DISSEMINATION OF INFORMATION TO COLOMBO
LCN CAPO GREGORY SCARPA, SR.
NEW YORK DIVISION
OPR MATTER

made by LCN members, who are now cooperative witnesses (CWs). AUSA CAPRONI requested that the allegations be resolved as quickly as possible so as not to hinder upcoming prosecutions in which the CWs are expected to testify.

On 1/27/94, AUSA CAPRONI telephonically contacted SSA FUENTES and requested that no interviews of the LCN CWs occur until after the conclusion of the first trial which was expected to last approximately six weeks. SSA FUENTES discussed this matter with Unit Chief (UC) RALPH A. REGALBUTO, OPR. UC REGALBUTO agreed to defer to the EDNY request. SSA FUENTES conveyed this decision to AUSA CAPRONI; she was provided with UC REGALBUTO's name, title, and FBIHQ telephone number; and she was advised to notify UC REGALBUTO at the conclusion of the trial.

RECOMMENDATIONS: None. For information only.

APPROVED: _____

Director _____	Crim. Inv. _____	Laboratory _____	Off. of EEO _____
Deputy Director _____	Crim. Jus. Info. _____	Legal Counsel _____	Affairs _____
	Servs. _____	National Sec. _____	Off. of Public _____
	Finance _____	Personnel _____	& Cong. Affs. _____
	Info. Res. _____	Training _____	
	Inspection _____		

DETAILS: On 1/18/94, AUSA VALERIE CAPRONI, Chief of the Organized Crime Section, USAO, EDNY, contacted Assistant Special Agent in Charge (ASAC) DONALD V. NORTH, Organized Crime Branch, NYO, FBI. AUSA CAPRONI alleged that an FBI informant, GREGORY SCARPA, SR., a Capo in the Colombo LCN Family, had received information, which was not authorized for dissemination, from an unidentified FBI Agent.

A summary of the information provided by AUSA CAPRONI was furnished by Airtel from DADIC, New York, to FBIHQ dated 1/21/94. This communication advised that SCARPA, SR., was opened as an informant on 3/20/62, and was closed on 9/4/92. The case Agent was identified as SSA R. LINDLEY DEVECCHIO (currently assigned as SSA of the NYO's Colombo Squad). DADIC, New York requested that OPR expedite an inquiry into this matter.

AUSA CAPRONI, while in Washington, D.C., on other business, was interviewed at FBIHQ by SSAs FUENTES and BARRETT on 1/26/94 (FD-302 attached). In summary, AUSA CAPRONI advised that the first of nine trials, in connection with the Colombo LCN

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Family war, was scheduled to commence in the EDNY on 2/2/94. During pretrial interviews of LCN member CWs, allegations were made that SCARPA, SR., had a law enforcement source. One of the CWs stated that SCARPA, SR., told him the law enforcement source was an FBI Agent.

AUSA CAPRONI also stated that AUSA GEORGE STAMBOULIDIS, EDNY, told her that he was present when SSA DEVECCHIO threatened an Agent assigned to his squad, SA CHRISTOPHER FAVO. SA FAVO was preparing to interview one of the LCN member CWs. SSA DEVECCHIO allegedly told SA FAVO that if the interview resulted in an OPR inquiry he would "get him," or words to that effect.

AUSA CAPRONI requested that the allegations be resolved as quickly as possible so as not to hinder the upcoming prosecutions. AUSA CAPRONI was advised that SSAs FUENTES and BARRETT would travel to New York the following day, review the appropriate files in the NYO, and interview the LCN member witnesses as quickly as arrangements could be made the following week through the Bureau of Prisons.

On 1/27/94, SSAs FUENTES and BARRETT reviewed the relevant substantive and informant files at the NYO. Pertinent serials were photocopied and forwarded to OPR under separate cover. While at the NYO, AUSA CAPRONI telephonically contacted SSA FUENTES regarding this inquiry (FD-302 attached). In summary, AUSA CAPRONI advised that following a discussion concerning this matter with other EDNY AUSAs, she requested that no interviews of the LCN CWs occur until after the conclusion of the first trial which was expected to last approximately six weeks. Additionally, AUSA CAPRONI stated that the EDNY would insist that the prosecuting AUSA, who conducted the pretrial interview of the witness, be present during interviews to be conducted in connection with this matter.

Following a discussion with Unit Chief (UC) RALPH A. REGALBUTO, OPR, Inspection Division, FBIHQ, AUSA CAPRONI was advised that further investigation into this matter would be held in abeyance as requested. AUSA CAPRONI opined that other aspects of the inquiry could continue without adversely impacting the outcome of the trial.

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 OPR MATTER

SSA FUENTES informed AUSA CAPRONI that pursuing a logical investigative strategy required the interview of the LCN witnesses at the onset to determine the specific facts related to their allegations. The investigation would then include the interview of other witnesses, AUSAs from the EDNY, FBI SAs, and finally, SSA DEVECCHIO. AUSA CAPRONI was further advised that a partial investigation, which precluded interview of the critical witnesses, would create a cloud of suspicion over SSA DEVECCHIO which could not be expeditiously resolved. AUSA CAPRONI was advised that the FBI considered this as unfair to SSA DEVECCHIO and unnecessarily disruptive to NYO operations. AUSA CAPRONI was also advised that the FBI was of the opinion that holding this investigation in abeyance posed no threat to the successful prosecution of the upcoming trials.

AUSA CAPRONI stated that she concurred since she perceived the allegations to be historical in nature and waiting an additional six weeks would not affect the outcome of the upcoming trial. SSA FUENTES furnished UC REGALBUTO's name, title, and FBIHQ telephone number, and requested that AUSA CAPRONI notify UC REGALBUTO at the conclusion of the trial.

On 1/31/94, SAC WILLIAM Y. DORAN, NYO, discussed this matter with USA ZACK CARTER, EDNY. USA CARTER advised that he concurred with AUSA CAPRONI's request to hold this investigation in abeyance.

On 2/8/94, SSA BARRETT telephonically contacted AUSA CAPRONI to verify the spelling of AUSA GEORGE STAMBOULIDIS' name which she had provided during her initial interview (FD-302 attached). At that time, she stated that she had been distressed to learn that this OPR inquiry had been concluded and SSA DEVECCHIO had been exonerated. SSA BARRETT reminded AUSA CAPRONI that the inquiry had not been concluded, but was being held in abeyance per her request. For a summary of the allegations, see attached FD-302s.

Knew of possible leaks in Jan 94 by Devecchio

Simone tried in Oct 94 8 months later

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